

December 22, 2004

VIA HAND DELIVERY

The Honorable Charles Terreni
Chief Clerk and Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Duke Power, a division of Duke Energy Corporation ("Duke").
Non-Docketed Proceeding.
Recommendations regarding current Public Service Commission regulations that
should be amended, modified, or repealed to comply with 2004 S.C. Act 175.

Dear Mr. Terreni:

Duke, by counsel, hereby submits comments relevant to the above-referenced matter.

Duke generally agrees with the comments of the Office of Regulatory Staff ("ORS")
Specifically, Duke is in general agreement with the ORS' proposed changes to Article 3 (Electric
Systems) and Article 8 (Practice and Procedure) (See attachment hereto).

Additionally, please reference the follow-up letter of Mr. Dan Arnett, Chief of Staff of
the ORS relevant to this workshop. Duke is also in general agreement with Mr. Arnett's letter,
and specifically with his suggestion of a "dual track" approach of considering separately (i)
amending, modifying, or repealing the Commissions' regulations to comply with

2004 S.C. Act175 consistent with the scope of the notice for this workshop and subsequently (ii) a separate track to address changes to regulations brought about by industry changes or industry practices.

It was also suggested that another meeting of interested parties be held to discuss how to proceed in this matter. Duke supports and will attend such a meeting. Furthermore, Duke would affirmatively state that the passage of time, industry changes, and industry practices warrant a subsequent track to discuss changes outside the posted scope of this workshop.

Please post this letter on the Commission's website with other comments/materials from the workshop. Thank you for allowing us to participate in the workshop and we appreciate all the Commission's effort towards completing this important matter.

Respectfully submitted,

William Frederick Austin
Richard L. Whitt
AUSTIN, LEWIS & ROGERS, P.A.
508 Hampton Street, Third Floor
Columbia, South Carolina 28201
Telephone: (803) 256-4000

Lara Simmons Nichols
Assistant General Counsel
DUKE POWER, a division of
DUKE ENERGY CORPORATION
Post Office Box 1244, PBO5E
Charlotte, North Carolina 28201-1244
Telephone: (704) 382-9960

ATTORNEYS FOR
DUKE POWER, a division of
DUKE ENERGY CORPORATION

RLW/rgw
cc:
Dan F. Arnett
Dr. James Spearman
Jocelyn G. Boyd, Esquire
Florence Belser, Esquire

Attachment

Duke's Specific Comments on ORS Suggested Revisions

Article 3 - Electric Systems

Rules 104-304 and -305 – Please consider whether revisions should provide for provision to the ORS AND filing with the Commission, rather than simply provision to the ORS.

Also, Rule 103-312 as proposed, should be considered for consistency with the terminology regarding "providing to" or "filing with" ORS.

Rule 103-330(g) – Please consider whether this provision should be deleted in its entirety.

Article 8 - Practice & Procedure

Rules 103-804(C) and 103-817 – It appears that these rules should refer to the "Public Service Commission of South Carolina" rather than the "South Carolina Public Service Commission".

Rule 103-804(E) – As to the definition of Data Requests - the proposed language uses "interrogatories" interchangeably with "data request"; subsection (3) and (7) may be repetitive; and substantively, consider extending the time frame for responses from 10 days to a longer period.

Rule 103-804(g) - Executive Assistant – Consider whether this definition be updated to reflect the new role of the Chief Clerk and Administrator.

Rule 103-804(M) - Here and elsewhere in the proposed new language, it is noted that the terms "commission" and "commissioner" are not capitalized (consistent with Act 175), but the existing Rules do capitalize these terms.

Rules 103-814 through - 818 – It appears that these Rule numbers should be updated to account for the proposed deletion of existing Rule R103-814.

Rule 103-851 - Interrogatories - Substantively, the 10 day period may be too limited a time period for a party to respond.